## IN THE SPECIFICATION

Please amend the Cross Reference to Related Applications as indicated: CROSS-REFERENCE TO RELATED APPLICATIONS

This is a continuation-in-part application of U.S. Serial No. 10/349,601, now abandoned, which, claims the benefit of United States provisional application No. 60/356,462 filed February 13, 2002 the contents of which are incorporated by reference herein in their entirety.

Please amend the second paragraph of page 13 as indicated:

In yet another exemplary embodiment control of the water craft and mode selection may be implemented employing a simple switched input. In an embodiment, a watercraft mode selector 38 for producing a mode selection signal 39. For example, in one embodiment a switched input is used to select "yaw" control as opposed to "lateral" control. Moreover, a switched input from the helm may be employed to select other operating modes including a variable ratio helm command as described herein. Advantageously, this provides a rather simple implementation for selected control functions and features.

Please amend the last paragraph of page 13 as indicated:

Continuing with Figures 1, 3, and 4, in yet another exemplary embodiment, an inclination system 300 comprising an inclination sensors 310a, in the fore and aft direction and 310b in the port and starboard direction may be utilized to measure tilt of the watercraft for instances where a load is not centered on the center of gravity or to control plane time and application. Control of inclination is facilitated by an additional control process for trim 320 in the master control unit 16, which generates a left and right trim command 322 and 324 respectively for I/O trim 336, (in the case of an I/O drive) and trim tab control. In an exemplary embodiment, these functions are optionally a function of watercraft speed to facilitate implementation. For example, trim control could be disabled at low speed. In the case of port/starboard control, a closed loop control integrated with port/starboard inclination sensors 310 transmit an inclination signal 312 to the master control unit 16. Process trim 320 in turn computes a trim commands 322, and 324 to direct the stern trim tabs 332 and 334

and/or I/O trim 336 for port and starboard respectively. The trim tabs 332 and 334 may be controlled out of phase from each other to control port starboard tilt. Similarly, for fore/aft control, a closed loop control integrated with the fore/aft inclination sensor 310 and the stern trim tabs 332 and 334.